

Bronze Star Medals, three Army Commendation Medals, four Army Achievement Medals, and multiple OEF and OIF deployment ribbons. Additional recognitions included the Expert Infantryman Badge, Combat Infantryman Badge, Master Parachutist Badge, Ranger Tab, and the Special Forces Tab.

A Master Mason and president of the Tampa Bay Ranger Regiment motorcycle club, Major Brunelle was known by his community as selfless, compassionate, and full of life.

Today, Major Brunelle is survived by his wife, Renee, and many countless, loving friends and family. May God bless Major Travis Brunelle for his service to our Nation. May God bless his family, his friends, and may God bless the country he so valiantly and proudly fought for, the United States of America.

#### I AM STUNNED

(Ms. MAXINE WATERS of California asked and was given permission to address the House for 1 minute.)

Ms. MAXINE WATERS of California. Mr. Speaker, I come this morning rather stunned because I am witnessing comments by Presidential candidate Trump and Vice Presidential candidate Mike Pence that stuns me.

Today I heard that Pence basically said that Vladimir Putin has been a stronger leader in his country than Barack Obama in his country. And then, of course, Donald Trump is arguing that the Russians are not meddling in American Presidential politics, despite the fact he was interviewing on a Russian television station.

What is going on here? Is this patriotism? I don't know why all of a sudden we have a Presidential candidate who is praising or talking about basically a dictator being better than the President of the United States of America.

□ 0915

#### ZIKA EMERGENCY

(Ms. WILSON of Florida asked and was given permission to address the House for 1 minute.)

Ms. WILSON of Florida. Mr. Speaker, have you ever heard of a travel ban on an American city? Now, we have one in the beautiful boutique district called Wynwood, in the heart of my district. It is time to lift that ban.

District 24, Miami, Florida; and the entire State have been besieged by the Zika virus. We are in the epicenter of this growing epidemic and living in fear of the damaging impact a single mosquito bite can have on an unborn fetus.

The vibrant, bustling millennial area of Wynwood has the best restaurants, the best trendy art galleries, museums, antique shops, hat stores, and tourist attractions. Tourists flock there from all over the world.

Now, with the travel ban in place because of Zika, people are being laid off;

businesses are on the verge of closing. In comparison, it is a ghost town. The unborn babies are not the only ones affected by the virus. The economy is suffering immensely.

We need your help, Mr. Speaker. Zika is taking a huge bite out of Florida's booming economy and is devastating the tourism industry.

Mr. Speaker, please bring a clean Zika bill to the floor with no riders, no poison pills; just a clean bill. The unborn, families, and the businesses of America are depending on you. Zika is an ever-evolving nightmare and we must do that. When this travel ban has been lifted, I am looking forward to saying: Business as usual in Wynwood.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. RODNEY DAVIS of Illinois). The Chair would remind all Members to refrain from engaging in personalities toward the nominees for the Office of President and Vice President.

#### EXPRESSING THE SENSE OF THE HOUSE OF REPRESENTATIVES REGARDING THE TERRORIST AT- TACKS LAUNCHED AGAINST THE UNITED STATES ON SEPTEMBER 11, 2001, ON THE 15TH ANNIVER- SARY OF THAT DATE

Mr. MCCARTHY. Mr. Speaker, I ask unanimous consent that the Committee on Oversight and Government Reform, Committee on Homeland Security, Committee on the Judiciary, Committee on Transportation and Infrastructure, Committee on Armed Services, Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence, be discharged from further consideration of House Resolution 842, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the resolution is as follows:

#### H. RES. 842

Whereas, on September 11, 2001, while Americans were attending to their daily routines, terrorists hijacked four civilian aircraft, crashing two of them into the towers of the World Trade Center in New York City, a third into the Pentagon near Washington, DC, and a fourth was prevented from also being used as a weapon against America by brave passengers who placed their country above their own lives;

Whereas thousands of innocent Americans were killed and injured as a result of these attacks, including the passengers and crew of the four aircraft, workers in the World Trade Center and in the Pentagon, rescue workers, and bystanders;

Whereas the crewmembers of United Flight 175, American Flight 11, American Flight 77, and United Flight 93 acted as first responders, reporting the first intelligence of a war

the United States did not know it was fighting and sacrificing their own lives to protect the United States and the lives of countless others;

Whereas 15 years later the country continues to, and shall forever, mourn their tragic loss and honor their memory;

Whereas these attacks destroyed both towers of the World Trade Center, as well as adjacent buildings, and seriously damaged the Pentagon;

Whereas these attacks were by far the deadliest terrorist attacks ever launched against the United States, and, by targeting symbols of American strength and success, were intended to assail the principles, values, and freedoms of the United States and the American people, intimidate our Nation, and weaken its resolve;

Whereas memorials have been constructed to honor the victims of these attacks at the Pentagon, in Shanksville, Pennsylvania, and on the World Trade Center grounds, so that Americans and people from around the world can visit to mourn those lost and to pay tribute to the heroic action and sacrifice of those who have served our communities and our country in the years since the attacks;

Whereas 15 years after September 11, 2001, the United States continues to fight terrorists and other extremists who threaten America and her friends and allies;

Whereas successive Congresses have passed and President Bush and President Obama have signed numerous laws to assist victims of terrorism, protect our Nation, combat terrorism at home and abroad, and support the members of the Armed Forces who courageously defend the United States;

Whereas by the tireless efforts of our intelligence, military, and law enforcement professionals, the United States has been able to significantly degrade the al Qaeda network, by taking into custody or killing senior al Qaeda leaders, operational managers, and key facilitators, and owes a debt of gratitude to the focused and persistent efforts of all those personnel involved in the removal of Osama bin Laden;

Whereas the terrorist attacks that have occurred around the world since September 11, 2001, remind us of the hateful inhumanity of terrorism and the ongoing threat it poses to freedom, justice, and the rule of law;

Whereas United States law enforcement and intelligence agencies and allies of the United States around the world have worked together to detect and disrupt terrorist networks and numerous terror plots since September 11, 2001;

Whereas the Nation is indebted to the brave military, intelligence, law enforcement, and civilian personnel serving in Afghanistan, Iraq, and elsewhere in advancement of United States national interests;

Whereas thousands of families have lost loved ones in the defense of freedom and liberty against the tyranny of terror; and

Whereas the passage of 15 years has not diminished the pain caused by the senseless loss of nearly 3,000 persons killed on September 11, 2001: Now, therefore, be it

*Resolved*, That the House of Representatives—

(1) recognizes September 11 as a day of solemn commemoration;

(2) extends again its deepest sympathies to the thousands of innocent victims of the September 11, 2001, terrorist attacks, and to their families, friends, and loved ones;

(3) honors the heroism and the sacrifices of United States military and civilian personnel and their families who have sacrificed much, including their lives and health, in defense of their country;

(4) credits the heroism of first responders, law enforcement personnel, State and local officials, volunteers, and others who aided

the victims of these attacks and, in so doing, bravely risked their own lives and long-term health;

(5) expresses thanks and gratitude to the foreign leaders and citizens of all nations who have assisted and continue to stand in solidarity with the United States against terrorism in the aftermath of the attacks on September 11, 2001, and asks them to continue to stand with the United States against international terrorism;

(6) commends the military and intelligence personnel involved in the removal of Osama bin Laden;

(7) reaffirms its commitment to opposing violent extremism arrayed against American interests and to providing the United States military, intelligence, and law enforcement communities with the resources and support to do so effectively and safely;

(8) vows that it will continue to identify, intercept, and disrupt terrorists and their activities;

(9) reaffirms that the American people will never forget the sacrifices made on September 11, 2001, and will never bow to terrorist demands; and

(10) declares that when Congress adjourns today, it stands adjourned out of respect to the victims of the terrorist attacks.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### PERMISSION TO POSTPONE PROCEEDINGS ON MOTION TO RECOMMIT ON H.R. 5424, INVESTMENT ADVISERS MODERNIZATION ACT OF 2016

Mr. HURT of Virginia. Mr. Speaker, I ask unanimous consent that the question of adopting a motion to recommit on H.R. 5424 may be subject to postponement as though under clause 8 of rule XX.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

#### INVESTMENT ADVISERS MODERNIZATION ACT OF 2016

Mr. HURT of Virginia. Mr. Speaker, pursuant to House Resolution 844, I call up the bill (H.R. 5424) to amend the Investment Advisers Act of 1940 and to direct the Securities and Exchange Commission to amend its rules to modernize certain requirements relating to investment advisers, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 844, the amendment in the nature of a substitute recommended by the Committee on Financial Services, printed in the bill, is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 5424

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the “Investment Advisers Modernization Act of 2016”.*

#### SEC. 2. MODERNIZING CERTAIN REQUIREMENTS RELATING TO INVESTMENT ADVISERS.

##### (a) INVESTMENT ADVISORY CONTRACTS.—

##### (1) ASSIGNMENT.—

(A) ASSIGNMENT DEFINED.—Section 202(a)(1) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(1)) is amended by striking “; but” and all that follows and inserting “; but no assignment of an investment advisory contract shall be deemed to result from the death or withdrawal, or the sale or transfer of the interests, of a minority of the members, partners, shareholders, or other equity owners of the investment adviser having only a minority interest in the business of the investment adviser, or from the admission to the investment adviser of one or more members, partners, shareholders, or other equity owners who, after such admission, shall be only a minority of the members, partners, shareholders, or other equity owners and shall have only a minority interest in the business.”.

(B) CONSENT TO ASSIGNMENT BY QUALIFIED CLIENTS.—Section 205(a)(2) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-5(a)(2)) is amended by inserting before the semicolon the following: “, except that if such other party is a qualified client (as defined in section 275.205-3 of title 17, Code of Federal Regulations, or any successor thereto), such other party may provide such consent at the time the parties enter into, extend, or renew such contract”.

(2) NOT REQUIRED TO PROVIDE FOR NOTIFICATION OF CHANGE IN MEMBERSHIP OF PARTNERSHIP.—Section 205 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-5) is amended—

##### (A) in subsection (a)—

(i) in paragraph (1), by striking the semicolon and inserting “; or”;

(ii) in paragraph (2), by striking “; or” and inserting a period; and

(iii) by striking paragraph (3); and

(B) in subsection (d), by striking “paragraphs (2) and (3) of subsection (a)” and inserting “subsection (a)(2)”.

##### (b) ADVERTISING RULE.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Commission shall amend section 275.206(4)-1 of title 17, Code of Federal Regulations, to provide that paragraphs (a)(1) and (a)(2) of such section do not apply to an advertisement that an investment adviser publishes, circulates, or distributes solely to persons described in paragraph (2) of this subsection.

(2) PERSONS DESCRIBED.—A person is described in this paragraph if such person is, or the investment adviser reasonably believes such person is—

(A) a qualified client (as defined in section 275.205-3 of title 17, Code of Federal Regulations), determined as of the time of the publication, circulation, or distribution of the advertisement rather than immediately prior to or after entering into the investment advisory contract referred to in such section;

(B) a knowledgeable employee (as defined in section 270.3c-5 of title 17, Code of Federal Regulations) of any private fund to which the investment adviser acts as an investment adviser;

(C) a qualified purchaser (as defined in section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a))); or

(D) an accredited investor (as defined in section 230.501 of title 17, Code of Federal Regulations), determined as if the investment adviser were the issuer of securities referred to in such section and the time of the publication, circulation, or distribution of the advertisement were the sale of such securities.

#### SEC. 3. REMOVING DUPLICATIVE BURDENS AND APPROPRIATELY TAILORING CERTAIN REQUIREMENTS.

(a) BROCHURE DELIVERY.—Not later than 90 days after the date of the enactment of this Act, the Commission shall amend section 275.204-3(c) of title 17, Code of Federal Regulations, to provide that an investment adviser is not required

to deliver a brochure or brochure supplement to a client that is a limited partnership, limited liability company, or other pooled investment vehicle for which each limited partner, member, or other equity owner has received, before purchasing a security issued by the pooled investment vehicle, a prospectus, private placement memorandum, or other offering document containing (to the extent material to an understanding of the pooled investment vehicle, the business of the pooled investment vehicle, and the securities being offered by the pooled investment vehicle) substantially the same information as would be required by Part 2A or 2B of Form ADV at the time of delivery of the brochure or brochure supplement, as the case may be.

(b) FORM PF.—Not later than 90 days after the date of the enactment of this Act, the Commission shall amend section 275.204(b)-1 of title 17, Code of Federal Regulations, to provide that an investment adviser to a private fund is not required to report any information beyond that which is required by sections 1a and 1b of Form PF, unless such investment adviser is a large hedge fund adviser or a large liquidity fund adviser (as such terms are defined in such Form).

(c) CUSTODY RULE.—Not later than 90 days after the date of the enactment of this Act, the Commission shall amend section 275.206(4)-2 of title 17, Code of Federal Regulations, as follows:

(1) The Commission shall provide additional exceptions to the independent verification requirement of paragraph (a)(4) of such section for an investment adviser with respect to funds and securities of a limited partnership (or a limited liability company or other type of pooled investment vehicle), as follows:

(A) An exception that applies if the outstanding securities (other than short-term paper, as defined in section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a))) of the pooled investment vehicle are beneficially owned exclusively by—

(i) the investment adviser;

(ii) affiliated persons of the investment adviser;

(iii) supervised persons of the investment adviser;

(iv) officers, directors, and employees of the affiliated persons of the investment adviser;

(v) family members and former family members (as such terms are defined in section 275.202(a)(11)(G)-1 of title 17, Code of Federal Regulations) of persons described in clause (iii) or (iv); or

(vi) officers, directors, employees, or affiliated persons of, or persons who provide, have provided, or have entered into a contract to provide services to—

(I) the investment adviser of the pooled investment vehicle;

(II) one or more clients of the investment adviser of the pooled investment vehicle; or

(III) issuers from which the pooled investment vehicle or any other client of the investment adviser of the pooled investment vehicle has acquired securities, such as the portfolio company of a private fund.

(B) An exception that applies if the pooled investment vehicle has been established to hold only the securities of a single issuer in which one or more pooled investment vehicles managed by the investment adviser have acquired a controlling interest.

(2) Consistent with, and expanding on, IM Guidance Update No. 2013-04, titled “Privately Offered Securities under the Investment Advisers Act Custody Rule”, published by the Division of Investment Management of the Commission, the Commission shall, with respect to the exception for certain privately offered securities in paragraph (b)(2) of such section—

(A) remove the requirement of clause (i)(B) of such paragraph (relating to the uncertificated nature and recordation of ownership of the securities); and

(B) remove the requirement of clause (ii) of such paragraph (relating to audit and financial